Banks-1932

D.C.

TOTAL. RESOURCES OF TWO BANKS $930,000

President Hawkins Becomes Director of Industrial Savings Bank

The announcement, Tuesday, of the consolidation of the Prudential Bank with the Industrial Savings Bank created a sensation in all circles of Washington. It has been the talk of the town. It has been discussed in favorable tones, and everyone seems to express their opinion as proud of the consolidation since it gives the banking combination nearly a million dollars in resources. The combined resources on Tuesday was $930,000. This makes the local bank the largest and best Negro bank in the United States. The business of the combined institutions will be conducted at the Industrial Savings Bank, Eleventh and U streets, northwest. W. H. C. Brown, president of the Industrial, will be president of the combined institution. All depositors of the Prudential will hereafter transact their business with the Industrial Bank.

The resources and liabilities of the Prudential were taken over by the Industrial Bank, and the deposits of the Prudential are guaranteed by the Industrial Savings Bank, so that no depositor of the Prudential Bank will lose any money in the consolidation.

All of the books and business of the Prudential Bank were transferred to the Industrial Savings Bank early Tuesday morning, and when the time arrived to open the banks, two employees were on duty at the Prudential Bank to direct as a director of the Industrial Bank instead of closing the doors of the Prudential and placing a notice on the door.

John R. Hawkins, president of the Prudential Bank, has been selected for a director of the Industrial Savings Bank, and three other directors of the Prudential are under consideration for the board of the Industrial, and will be announced later. This will add four new directors to the Industrial.

Edward E. Baker, cashier of the Prudential, has joined the staff of the Industrial, and as soon as the organization adjusts itself to the new and increased business, it is thought that one or two other employees from the Prudential will be added to the staff of the Industrial Bank.

Organized by Lewis

The Industrial Savings Bank was organized by the late John W. Lewis, who came to Washington with Coxie's Army in 1893. The Industrial secured its charter in the spring of 1913, and will soon be twenty years old. It has a paid up capital stock of $50,000, and resources of $930,000.

The president officers of the Industrial Savings Bank are: W. H. C. Brown, president; Jesse H. Mitchell, vice-president; John H. Simms, treasurer; W. S. Carter, chairman of the board; W. A. Bowie, cashier; Walter L. Carter, assistant cashier

GRANT CAPITAL BANK U. S. LOAN

WASHINGTON, D. C., Oct. 27 —A loan of $35,000 was authorized by the Reconstruction Finance Corporation in September to be made to the Industrial Savings Bank of the District of Columbia, according to the monthly report to South Trimble, clerk of the House, made public last Saturday.

No part of this authorized loan had been disbursed to the Industrial Savings Bank up to September 30, but it is available at any time the bank may want it. It bears interest at the rate of 5½ per cent.

Loans authorized by the Reconstruction Finance Corporation in September total $139,846,002. Of this sum, $59,155,319 represented 691 new loans to banks, credit corporations, railroads and financial institutions generally.

The aggregate of loans was as follows:

Banks and trust companies, $28,981,374, including $4,433,359 for reorganization or liquidation of closed banks; building and loan associations, $7,233,258; insurance companies, $3,370,000; mortgage loan companies, $960,000; joint stock land banks, $576,000; agricultural credit corporations, $702,129; livestock credit corporations, $1,101,198; railroads, $21,293,541, including $473,341 to railroad receivers.

The corporation authorized relief loans totaling $18,523,502. Self-liquidating loans of semi-public construction projects totaled $53,105,000. The corporation also advanced $1,500,000 to the Sun Maid Raisin Company of California.

The Secretary of Agriculture was allocated $2,500,000 for agricultural relief.

Banks-1932

Major Wright Pays Official Visit To Washington Banks

TWO NEGRO BANKS HAVE NEARLY A MILLION ASSETS

WASHINGTON, D. C., May 26 — Major R. R. Wright, president and founder of the National Negro Bankers' Association and president of the Citizens & Southern Bank and Trust Company, Philadelphia, paid an official visit to the Prudential Bank and the Industrial Savings Bank last Wednesday while he was in the city attending the annual conference of the National Association for the Advancement of Colored People. Major Wright first called on Edward Baker, cashier of the Prudential Bank, where he was cordially received and told that the bank was in excellent condition, that its resources are $448,000 and its capital $100,000. Mr. Baker promised full co-operation for the coming bankers' meeting at Richmond, Va., in September.

The major then went to the Industrial Bank, where he was again cordially received by W. H. C. Brown, president, and Walter Carter, Jr., assistant cashier. This bank has assets of $619,673.9, capital of $50,000 and surplus of $10,721.66. He was again promised full co-operation for the coming bankers' convention. Major Wright was the house-guest of Mr. and Mrs. Carter Wednesday night at their home, 1002 Rhode Island Avenue.

On Thursday morning Major Wright called on United States Senator James J. Davis of Pennsylvania at the Senate Office Building to confer with him on getting President Hoover to receive the bankers' delegation at the close of the September meeting. He returned to Philadelphia Thursday afternoon.

Tribune

The recent statements of the Industrial and Prudential Banks as of June 30, show total resources of nearly a million dollars. The Industrial Savings Bank shows more than $500,000 and the Prudential more than $400,000.

The Prudential has a drive on for deposits and has been quite successful in bringing in new accounts.

The Christmas Savings Clubs of both banks are running ahead of those last year both in number of members and amount of deposits.

While two of the smaller white banks in outlying districts closed this week, they have no connection with the two colored banks and therefore will have no effect what ever upon them.

The two colored banks are no "Big Banks" as campared with the Riggs National and other big banks here but they have proven as safe as the big banks for their business has been conducted on sound principles and they have no "frozen assets" nor pressing obligations to meet.

The depression has not affected the Industrial and Pruden-

PRUDENTIAL BANK WEATHERS TWO-DAY RUN AS AID COMES

Defender

WASHINGTON, D. C., July 22.—While a bank examiner kept watch, ready at any minute to close the institution, the Prudential bank, 715 Florida Ave. N. W., weathered a two-day run on it last Friday and Saturday and resumed business as usual Monday morning.

Chicago Defender

The run was stemmed only after a stubborn fight, into which every resource was flung, and minute speakers were called into action to persuade depositors not to withdraw their funds. From every pulpit in the city Sunday an appeal was made against a continuation of the run. Meanwhile officers and directors of the bank were in conference working out plans for keeping the bank open.

Run Is Checked

At the most critical moment Saturday when closing seemed inevitable, Mortimer M. Harris, an attorney, climbed onto a chair and announced to the crowd in the bank that E. A. Clements, a reputed "numbers" operator, would make a deposit of $5,000. Clements left the bank hurriedly. For those who were besieging the teller's windows the minutes dragged slowly by. Finally he came back and brought with him a stack of bills totaling $5,000. He handed them to John R. Hawkins, president of the bank, with the declaration, "That's what I think of Prudential!" The crowd burst into cheers. Some withdrew from the lines.

The run was begun Friday following the closing of our banks here. All day long depositors filed in and out making withdrawals. Collateral totaling more than $20,000 was hypothecated at other banks to meet the demands of depositors.

Depositors Help

Officers of the bank reached as many depositors as they possibly could and asked them to attend a meeting at Mt. Carmel Baptist church Friday night. At that meeting they were asked to sign pledges agreeing not to withdraw more than 10 per cent of their deposits in the next 30 days. The pledges that night and the next morning reached the figure of $101,000.

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When the bank reopened Saturday morning the run was continued. Officers and supporters of the institution appealed to the crowd not to wreck the institution by withdrawing all their funds. Speaker after speaker mounted chairs and addressed the crowd. Other officers and supporters sought signatures to pledges.

The bank invoked the rule against the withdrawal of savings funds without 30 days' notice. Some who sought to withdraw their funds from checking accounts were dissuaded by officers from doing so. Other depositors added to their deposits.

Ira L. Chorpening, chief national bank examiner, looked on as the depositors staged their run. He was prepared at any minute to close the bank if the tide ran against those who were struggling to keep the institution open.

The refusal of a downtown department store to accept a check on the bank was given by officers as the cause for the run on the Prudential.

What the Indians Want

Led by James Thorpe, famous athlete, now a resident of Los Angeles, Indians representing eighteen tribes met in Hollywood and signed a protest against having colored persons and Mexicans represent them in films.

Dr. Edward Franklin Frazier, last week, published through the Fisk University Press, a new book entitled "The Free Negro Family" which might interest Mr. Thorpe.

For example, speaking of the Pamunky tribe of Indians in Virginia in 1843, it is stated "that the Indians' blood has so largely mingled with that of the Negro race as to have obliterated all striking features of Indian extraction."

There have been similar mixtures of Negro and Indian everywhere, but especially in New England, in Florida, Louisiana, and Oklahoma.

If one drop of Indian blood makes an Indian in the same sense that Virginia holds one drop of Negro blood makes any person a Negro, millions of colored persons are not only Negroes but Indians.

If this historical truth be understood by Mr Thorpe, we are ready to sympathize with him in his request and suggest that he ask for what he really wants, namely, that "only those persons having a manifestly high percentage of Indian blood be used to represent Indians in films."

PRUDENTIAL BANK SAVED BY UNITED NEGRO EFFORT

Tribune

Tribune Extra Big Factor; More Than $100,000 Secured In Waivers

7-22-32

A meeting by friends of the Prudential Bank will be held Tuesday, July 6, at the Garnet-Patterson Junior High School, Tenth and U streets, northwest. Several prominent speakers will be on the program.

Washington

The Negroes of Washington have set a precedent unknown in banking history, when they combined their efforts and kept the Prudential Bank from closing last Friday and Saturday.

Downtown stores had started the rumor that the Prudential was to close. Four white banks closed here last week, and that made the colored banks feel uneasy that a run might start. It really started on the Prudential. The bank examiners met the directors, Friday with the view of closing the bank. He brought a white man to place in charge of the bank.

Negroes sensed the situation and set their jaws with their faces to the wall. A happy thought was advanced to the examiner, asking him to give them a chance to prove to him that he did not know the Negroes of Washington. That a there was no mismanagement, no shortage from stealing or misappropriation of funds that they, the directors, felt that if they had a tell them the truth, the facts in tel lthem the truth, the facts in the case that the Negroes of Washington would respond and the Prudential could be saved.

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The Washington Tribune placed an extra on the streets, Saturday at 3 o'clock, reporting the meeting Friday night, and appealing through its editorial columns to the Negroes of Washington to rally solidly to the Prudential Bank and save it. This proved to be an inspiration and was a big factor in restoring calm and normalcy.

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Various ministers of the city counseled their congregations to get behind the Prudential Bank and save it to the race. Judge W. C. Hueston and Perry W. Howard spoke, Sunday, at the big Elk meeting at Howard Theatre, imploring confidence in the management of the Prudential under the direction of Dr. John R. Hawkins and his directors. Mr. Howard spoke at Asbury M. E. Church, following their 11 o'clock service along the same line.

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Monday morning, the tenseness of the waivers from the depositors was the turning point for the Negroes of Washington would redeem the examiners, and they

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DIVISION OF BEHAVIORAL SCIENCE RESEARCH

Prudential Bank had been saved.

One woma nwho was at the Howard Theatre and heard Perry W. Howard and Judge Hueston speak had withdrawn $300 on Friday. On Monday she returned and deposited the same amount. Two other persons at that meeting came in on Monday morning and opened accounts.

Return Deposits

One woman who was at the How- posit in the Prudential went to the bank with the intention of drawing it out. On arriving at the bank and talking with an official she decided that the bank was O.K.. and she left her money intact.

Another woman who had made a deposit Friday, withdrew it Saturday, and after reading the Tribune, returned Monday and re-deposited her money. And so the experience goes.

President Hawkins and other officials of the Prudential had a conference with the Comptroller Sunday. He told them that he was well pleased with the affairs of the bank, and that he did not see anything to warrant his closing the bank, and that he would not close it. That if it closed, the depositors themselves would have to close it.

PUBLIC-SPIRITED CITIZENSCOMMEND THE TRIBUNE

7-22-32

Extra Tribune Published Saturday Gets Many Favorable Comments

The extra Tribune published Saturday, announcing the stability of the Prudential Bank was favorably commented upon by thousands of public-spirited citizens by phone, in conversation, and by writing. We have selected a few statements which follow in this article, that our readers may have an idea of what folks say about their paper.

The Tribune is truly the people's paper and is ever ready to render a public service to the community.

The Tribune is always first in news in the District. We dominate the field and each week there are any number of fresh, live thrilling and informative stories which appear "next week" in other Negro papers coming into Washington. Most of "this week's news" in out-of-town papers was "last week's news" in the Washington Tribune. Keep up with fresh news by reading the Tribune.

The following statements are characteristic of hundreds received:

TECUMSEH BRADSHAW, Manager of Ordinary Department of National Benefit Life Insurance Co.—"I, personaly, interest myself, to lend aid in bringing about the special edition of the Washington Tribune to offset the false rumor and unfortunate situation concerning the Prudential Bank. The extra not only served the best interest of the welfare of all beings. I am certain the publication has been of invaluable service to all banks in the District of Columbia as well as the Prudential."

WEST A. HAMILTON, Printer and Publisher.—"The passing of the recent unfortunate run on our bank should be a matter of profound rejoicing. In the matter of allaying the panic and restoring confidence, several agencies played conspicuous parts—the citizens generally, the churches, the press and others. I believe you entitled to great credit for your energy, resourcefulness and public spirit in throwing your great influence into the battle which has had such a fortunate and happy ending."

EMMETT J. SCOTT, secretary-treasurer of Howard University.—"I congratulate the Tribune for its extra edition Saturday. It was a most commendable piece of journalistic enterprise in behalf of a cause of civic importance."

C. TIFFANY TOLIVER, Superintendent of Lincoln Cemetery.—"The citizens of Washington should be very grateful to the Washington Tribune for the active and important part played in helping to save the Prudential Bank. The extra, Saturday, spreading the fact of good news that resulted in many depositors co-operating with the bank will move it on to greater success."

JOHN H. THURSTON, proprietor of Thurston's Cafe.—"I think the extra published by the Washington Tribune was a most commendable thing. It stimulated the feeling among the Prudential Bank depositors and was a sacrifice on the part of the Tribune staff."

CHARLES H. FEARING, district manager of the North Carolina Mutual Insurance Company.—"The extra edition of the Washington Tribune issued following the excitement surrounding the run on the Prudential Bank, Saturday, was a most commendable effort on the part of the Tribune organization, to help allay a feeling of unrest on the part of many of the depositors of that bank. I have heard many favorable comments and have no doubt but what that edition served to help satisfy the public that the Prudential Bank is sound."

THE BANK CONSOLIDATION

The announcement of the consolidation of The Prudential Bank on Florida avenue with The Industrial Bank at Eleventh and U streets, northwest, created a sensation Tuesday morning.

It has been evident for the past two years that a consolidation of the two banks would have to come or one or the other or both would have to close. It is impossible for small banks to make money. With most of the Prudential's capital stock of $100,000 tied up in its building and equipment and about $200,000 in stocks and bonds, some of which cut their dividends, there was not enough revenue producing money to meet their expenses. With loans of $300,,000 more or less there is not a sufficient income to pay the current expenses, therefore, there was nothing left for The Prudential but to consolidate with the Industrial.

That is far better than going into receivership and have the additional expense of $25.00 per day or more for the receiver, which would ultimately end in closing the bank. Therefore, the best has happened. The Industrial takes over the assets and liabilities and not one cent will be lost by the depositors of The Prudential Bank.

By this consolidation it gives the Industrial Savings Bank resources of more than $900,000 which places the bank in the position to soon pass the million mark.

With a million dollars in resources, conservatively managed, The Industrial will soon be the strongest Negro bank in the United States. With seven or eight hundred thousand dollars out on loans and in bonds, the income therefrom can maintain the bank in fine form and add money each year to its surplus. Support The Industrial Savings Bank and make it the largest and best Negro bank in the United States.

Prudential and Industrial, Washington Banks, Merge

WASHINGTON.—(AFRO Bureau).—In a terse statement, handed to THE AFRO-AMERICAN this week, Dr. John R. Hawkins, president of the Prudential Bank here, announced that his institution consolidated with the Industrial Savings Bank here, last Tuesday morning at 9 a.m. Details of the merger have not been fully worked out.

Business of the consolidated institution will be carried on at the seat of the Industrial Savings Bank, Eleventh and U Streets, Northwest, where, "attention will be given and all accounts properly cared for."

Dr. J. R. Hawkins

Dr. Hawkins said completed plans of personnel arrangements and officers would be effected some time this week. He said he did not know at present what his new position in the consolidated institution would be.

Dr. Hawkins added, the consolidation was the natural result of a desire to have a strong banking institution in Washington. He said all the members on the board of his institution were in agreement on the formation of a single banking unit.

Prudential recently weathered a run after securing a loan of $100,000 from the Reconstruction Finance Corporation. It had depositors sign an agreement on July 15, 1932 not to withdraw more than ten per cent of funds within thirty days.

The 1930 statements showed Prudential with deposits of $374,000; capital stock of $100,000; surplus, $20,405; profits, $5,099.

It carried $186,608 in bonds and $200,812 in loans, and valued its banking equipment at $72,813.

Industrial Savings Bank in 1930 had deposits of $508,749.

MERGED BANKS HAVE $900,000

10-8-32

WASHINGTON — The combined assets of the Prudential and Industrial Savings banks which merged here last week are more than $900,000, the AFRO learned this week.

W. H. C. Brown, president of the Industrial, is continuing as head of the combined institutions, with John R. Hawkins, president of the Prudential, becoming a member of the board of directors of the new institution which retains the name of the Industrial Savings Bank. Three other directors of the Prudential will also be members of the new board of directors.

Mr. Brown, who has had wide experience in financial matters noted that the merger marked the first time in a period of financial stress in which one Negro institution has been able to induce another to unite with it in the interest of more efficient administration. He pointed out also that it costs each bank about $25,000 a year to operate, whereas the combined institutions can be run for only a little more than $25,000.

The Industrial Savings Bank was established in 1913. Its officers are listed as Walter S. Carter, chairman of the board; W. H. C. Brown, president; John H. Simms, vice-president and treasurer; William A. Bowie, cashier; Walter L.. Carter, assistant cashier. It was capitalized for $50,000. The Prudential Bank was organized in 1923 and was capitalized for $100,000.

Prudential directors include: John R. Hawkins, president; Dr. A. M. Curtis, vice president; E. A. Baker, cashier; W. G. Pearson, S. W. Rutherford, Charles Mitchell, Dr. P. W. Rice, vice president; Thomas Walker, vice president; Dr. W. H. Wilson, G. A. Robinson, Dr. J. H. Johnson, W. H. Thompson, L. A. Schenk, A. F. Jackson, M. S. Koonce, L. M. King, Judge James A. Cobb, G. C. Wilkinson, Dr. W. L Board, A. N. Scurlock, J. H. Greene, T. R. Holmes and Dr. J. C. Dowling.

Dr. Hawkins is financial secretary of the A.M.E. Church.

W. H. C. Brown is president of Industrial. It is understood he will head the merged banks.

Banks-1932

Four Thousand Checks Go To Depositors of Bank Closed in Jacksonville

Page
4-30-32
New York

JACKSONVILLE, Fla. — Four thousand checks have been sent by State Comptroller Ernest Amos of Tallahassee to be delivered to one thousand and five depositors of Anderson & Company's bank here.

Because of a run on the Christmas Savings, the bank was forced to close its doors several years ago. Officials were not able to reopen the bank, because nine depositors signed a petition to throw the affairs of the bank into bankruptcy. The petition was fought by Cashier Charles H. Anderson, and finally carried to the Supreme Court in New Orleans. After three years of litigation, Mr. Anderson won the decision.

With this, more than 40 per cent of the bank's deposits have been paid to depositors.

Banks-1932

FIFTEEN BANKS SURVIVE THE DEPRESSION

Afro American

Largest Institutions Now in Durham and Richmond.

HARRY O. WILSON HAS LEVEL HEAD

9/9/32.

Bank of Gooseneck Bill is Praised

Baltimore, Md.

PHILADELPHIA—Certainly fifteen and maybe more colored banks in widely located areas are weathering the storm, according to a survey just made by Major R. R. Wright, president of the National Negro Bankers' Association, preparatory to their meeting in Richmond, Va., September 22 and 23.

James A. Jackson, of the U.S. Department of Commerce, lists 28 banks and a large number of finance companies. Fifteen banks responded to queries made by the N.N.B.A. head. Four of this number were in Virginia, two in Washington, and two in South Carolina. Others were located principally in the South, only three being located in northern states.

All Under a Million

None of the banks have assets amounting to more than a million dollars, but there are several carrying more than $500,000, the letters reveal.

Metropolitan Re-opens

One of the outstanding achievements, according to Major Wright, was the re-opening of the Metropolitan Bank and Trust Company, of Norfolk, which closed its doors some time ago. The two largest banks, the survey shows, are the Consolidated Bank and Trust Company, of Richmond, and the Mechanics and Farmers Bank, of Durham, N.C., which are in good condition.

"The Fraternal Bank and Trust Company, of Fort Worth, Texas, is a bank that deserves considerable commendation," Major Wright declared. William M. McDonald, popularly known as "Gooseneck Bill," is president.

Wilson's Head Level

"Harry O. Wilson, of Baltimore, is another who merits mention," stated the surveyor. "Mr. Wilson is a level-headed business man and can teach the younger men very valuable lessons."

Summaries on other institutions were: "The Middle Georgia Savings and Investment Company, of Macon, is progressing under C. H. Douglass, who is regarded as a substantial business man.

"W. P. Dickerson, president of the Crown Savings Bank, Newport News, and Leroy H. Ridley, cashier are giving the people of that section of Virginia a creditable institution.

"The Farmers and Merchants Bank, Boley, Okla., is a small bank but has been in existence quite a while and is regarded as a strong institution. D. J. Turner, the president, shows by his letter that he certainly knows banking.

"The Victory Savings, Columbia S.C., and the Mutual Savings Charleston, S.C., are doing magnificent work. Dr. McFall, cashier of the latter institution, wrote: 'Of course the reactions upon local people have been extremely severe because of local failures. However it is our purpose to do all to carry on, until it is clearly shown that Negroes do not wish to have a bank.'

"The Citizens and Southern Bank, Philadelphia, Major Wright, president, has gained more than $15,000 deposits, according to the 1930 report. The bank has not borrowed on any of its securities, and has no encumbrances on its building or fixtures."

One White Member

The association has one white member, the Dunbar National Bank, of New York, whose president, C. C. Huitt, is reported to be particularly interested in colored banking problems.

"We all feel that the group should be particularly interested in building up banking institutions in those communities where our people are competent to have a bank. There is certainly a need for our men and women to learn the business of banking. We can only learn by experience. This will bring to the colored man as it has brought to the white man, many failures, but nevertheless, we must carry on," says the survey.

Other banks reported to be thriving are: Washington, Industrial and Prudential; Nashville, Citizens Savings; Atlanta, Citizens Trust; Cleveland, Empire Savings; Danville, Va., Danville Savings and Trust.

N.N.B.A. Officers

Other officers of the association are: the Rev. Henry A. Boyd, Nashville, vice-president; C. C. Spaulding, Durham, treasurer; M. C. Martin, Danville, secretary; Mrs Maggie Walker, Richmond, chairman of executive committee.

THE HOME LOAN BANK

Courier Pittsburgh Pa 8/6/32

EVERY home owner in this country is talking about the Home Loan Bank. Every man on whose home there is a mortgage is wondering what assistance he can get from the Home Loan Bank. Even before the institution decides upon its own machinery of operation, men are seeking assistance at its hands.

The success of the Home Loan Bank depends upon whether it functions to the extent of actual relief for the people, who have been taught and told that it furnishes a way out of our present dilemma. It is one thing to tell pretty stories about relief, but it is quite another thing to make the Home Loan Bank actually and literally function in the interest of the man in distress. Perhaps it is too early to predict what will happen, but it is not too early to remind the administration that the Home Loan Bank must function without partiality for every deserving applicant, regardless of his geographical location, his religion, creed, or color.

The American Negro is a home lover; he believes in owning his little plot of land and erecting thereon his own castle. Perhaps no other group in this country believes so thoroughly as does the American Negro in the philosophy of home buying and home owning. We are not exaggerating when we express the hope that somehow some suitable Negro may be placed upon the Board of the great Home Loan Bank. Perhaps this is too much to hope at the hands of Mr. Hoover, who will create the original Board, but it is not too much for a deserving group, a law-abiding group, a home loving group to hope and to anticipate.

ACHIEVEMENTS OF BANKS HAILED BY MAJ. WRIGHT

Journal & Guide 9-24-32

Four Va. Banks Among 16 Listed As Licking Depression

Norfolk, Va.

Special to Journal and Guide

PHILADELPHIA, Pa.— A message to the country issued this week by R. R. Wright, Sr., president of the National Negro Bankers Association, expresses optimism that leaders are finding a way out of present difficulties and cites as particularly gratifying and encouraging the development and progress of financial institutions fostered by our group.

"We have yet 16 banks which have stood and are still meeting the acid test of the storm of depression and unemployment which has swept the country," his confidence-laden statement declares. "While these banks have been hard hit, they still present to the people a fine record of achievement during these three years of depression."

Major Wright calls to the public's attention the fact that "our banks have stood in many communities where dozens and scores of other banks have closed their doors" and asserts that "the people are willing to trust their money in Negro banks" because they have confidence "in the honesty and efficiency of the men in charge of the banks."

Need Support

His Message contained a ringing challenge to the public to support the race's financial institutions in order to make jobs for the graduates of various colleges and to better improve the group's economic and business life.

He urged the necessity of organization and cooperation between bankers, insisting that they "must come together and study their problems and lay before each other, if not before the people, their plans."

His message stated that after a partial investigation, it was disclosed "that it is possible for our banks to secure cash from the Home Loan Banks for our home owners and home buyers (faced with mortgages falling due)."

"The national Negro Bankers Association has chosen not to meet this year, but to send to the people, especially those who have had the courage to deposit in banks owned and managed by Negroes, its heartiest greetings," Major Wright explained. The idea of postponement prevailed and the bankers will stick by their banks this year. This temporary hesitancy will pass as other embarrassments have passed and next year we hope to meet as usual."

Virginia Leads

Major Wright's list of banks reveals that Virginia leads all other states with four, located in Danville, Richmond, Newport News and Norfolk.

Georgia, South Carolina, and the District of Columbia have two each. Of the 16 banks 12 were in southern states and one of the 12 had a branch in another city. Only one bank was in a distinctly northern state, while the remaining three are in Maryland and the District of Columbia.

The bank association president's listing of the banks follows:

"In Georgia we have the Citizens Trust Company at Atlanta and the Middle Georgia Savings and Investment Company at Macon; in Texas the Fraternal Bank and Trust Company at Fort Worth; in Tennessee the Citizens Savings Bank and Trust Company at Nashville; in South Carolina the Victory Savings Bank at Columbia and the Charleston Mutual Savings Bank at Charleston; in North Carolina the Mechanics and Farmers Bank at Durham, (which has a Raleigh branch).

Balance of List

"In Virginia the Danville Savings Bank and Trust Company at Danville, the Metropolitan Bank and Trust Company at Norfolk; the Crown Savings Bank at Newport News and the Consolidated Bank and Trust Company at Richmond; in Oklahoma the Farmers and Merchants Bank at Boley; in the District of Columbia, the Industrial Savings Bank and the Prudential Bank; in Maryland, Harry O. Wilson, Banker, at Baltimore; and in Pennsylvania the Citizens and Southern Bank and Trust Company at Philadelphia."

Banks-1932

New Bank Project Started in Atlanta

ATLANTA.—What promises to mark a new era in inter-racial relations was begun here recently when plans were laid for the first financial institution to be owned and operated by both colored and white people as a joint enterprise.

The announcement came from Mr. Jesse O. Thomas, of the Atlanta Urban League. Mr. Thomas announced that an industrial bank, known as the Pioneer Savings Association, is being organized and will open its doors on Auburn avenue here the first day of January, 1932.

The new bank is to be a subsidiary of one of the oldest and strongest banking institutions of the South and is to furnish much needed credit to the Negro community.

In addition to an entirely Negro employe personnel, the new bank venture will have a Negro advisory board, which will be in charge of the management of the branch bank. The bank will advance small character loans and place major emphasis upon thrift and savings accounts.

NEGRO SAVINGS BANK OPENED FOR BUSINESS

The Pioneer Savings Association, an industrial banking firm for negroes, opened its doors to the public Wednesday afternoon at 180 Auburn avenue. Regular business will commence this morning. The institution is headed by five of Atlanta's most successful colored citizens, Dr. M. S. Davage, president of Clark University, chairman; Jesse O. Thomas, secretary of the National Urban League, secretary; Jesse H. Hanley, Dr. Thomas H. Slater and T. J. Ferguson, general manager.

INTERRACIAL SAVINGS BANK OPENS TODAY

A new venture in interracial cooperation is represented in the establishment of the Pioneer Savings Association which will open its doors this afternoon at 180 Auburn avenue, N. E. This institution will be jointly owned and controlled by members of the two racial groups.

This is the first time that a cooperative banking institution or savings association has been organized in this section under joint ownership and control of white and colored people.

New Bank Opens Doors To Throngs In Atlanta, Ga.

ATLANTA, Ga., Jan. 14.—(ANP)—The Pioneer Savings Bank and Association was formally opened here Wednesday morning at 180 Auburn avenue, when hundreds of Atlantans visited and inspected the new institution.

The bank is headed by five of Atlanta's most prominent citizens and is open for business. Dr. M. S. Davage, president of Clark university is chairman of the board of directors, Jesse O. Thomas, field secretary of the National Urban League, secretary, T. J. Ferguson, general manager and J. H. Hanley, mortician and Dr. T. H. Slater, members of the Board.

According to the announcement made by the board of control the institution will be jointly owned and operated by members of the two racial groups thus marking the first time that a cooperative banking institutions or savings association has been organized in this section under joint ownership and control of colored and white people.

2 RACES TO OWN AND MANAGE NEW ATLANTA BANK

Cooperative Enterprise Headed By Clark U. Prexy

ATLANTA, Ga. —(ANP)— The Pioneer Saving Bank and Association was formally opened here last Wednesday morning at 180 Auburn Avenue, when hundreds of Atlantans visited and inspected the new institution.

The bank is headed by five of Atlanta's most prominent citizens and is open for business. Dr. M. S. Davage, president of Clark University is chairman of the board of directors; Jesse O. Thomas, field secretary of the National Urban League, secretary; T. J. Ferguson, general manager, and J. H. Hanley, mortician, and Dr. T. H. Slater, members of the Board.

According to the announcement made by the board of control the institution will be jointly owned and operated by members of the two racial groups thus marking the first time that a cooperative banking in-

Banks - 1932.

Richard Hill Succeeds Overton as Bank President

CHICAGO, Feb. 8.—At the recent meeting of the board of directors of the Douglass National Bank here, Richard Hill, Jr., an attorney, was elected president of the institution, succeeding Anthony Overton, who for many years has been the head of the bank.

William K. Hooks, another lawyer, was elected first vice-president. The Rev. J. H. Branham, assistant pastor of Olivet Baptist Church, and George T. Kersey, undertaker and former member of the legislature, were also elected to vice-presidencies. S. A. T. Watkins was retired as a member of the board of directors, while William K. Hooks, John T. Montgomery and Sandy W. Trice, the latter chief usher at the Illinois Central R. R. Station and prominent fraternal man, were elevated to the board. Theodore Roane, formerly assistant cashier, was returned to that post succeeding Walter Searey.

Mr. Overton retained his place as chairman of the board.

CHICAGO, Feb. 8.—More than 200 stockholders of the Victory Life Insurance Company attended the annual stockholders' meeting in the home office of the company last week and heard optimistic reports from their officers on the condition of the organization. Despite the economic difficulties which have faced all life insurance companies during 1931, an increase in premium income of $30,000 over 1930 was reported while admitted assets had increased $260,000 making a total of $1,200,000.

OVERTON LOSES PLACE AS BANK PRESIDENT

CHICAGO, Feb. 11.—(ANP)—At the recent meeting of the board of directors of the Douglass National Bank, here, Richard Hill, Jr., a well known local attorney, was elected president of the institution, succeeding Anthony Overton who, for many years, has been the head of the bank. William K. Hooks, another lawyer, was elected first vice president. Rev. J. H. Branham, assistant pastor of Olive Baptist Church, and George T. Kersey, undertaker and former member of the legislature, were also elected to vice-presidencies. S. A. T. Watkins was retired as a member of board of directors, while Wm. K. Hooks, John T Montgomery and Sandy W. Trice, the latter chief usher at the Illinois Central R. R. Station and prominent fraternal man, were elevated to the board. Theodore Roane, formerly assistant cashier, was returned to that post succeeding Walter Searcy.

No formal announcement of the change in officers has been made. The shift is generally presumed to be part of the program to strengthen the institution which has stood so splendidly during the recent months of financial stress and strain. Mr. Overton retained his place as chairman of the board.

Richard Hill Elected New Head of Bank

At the recent meeting of the board of directors of the Douglass National bank here, Richard Hill Jr., well-known local attorney, was elected president of the institution, succeeding Anthony Overton, who for many years has been the head of the bank.

William K. Hooks, another lawyer, was elected first vice president, Rev. J. H. Branham, assistant pastor of Olivet Baptist church, and George T. Kersey, undertaker and former member of the legislature, were also elected to vice presidencies. S. A. T. Watkins was retired as a member of the board of directors, while William K. Hooks, John T. Montgomery and Sandy W. Trice, the latter chief usher at the Illinois Central railroad station and prominent fraternal man, were elevated to the board. Theodore Roane, formerly assistant cashier, was returned to that post succeeding Walter Searcy. Mr. Overton retained his place as chairman of the board.

Negro Bank Given Aid By R.F.C.

CHICAO, Mar. 24.—(ANP)—The application of the Douglass National bank of this city for $200.000 to be used under the terms of the act creating the federal Reconstruction Finance Corporation, has been acted upon favorably. While the total $200.000 asked for was not allowed, Cashier Arthur Wilson said that an amount approaching that sum was available to the bank last Saturday.

"This grant, which is in line with the policy of the Reconstruction Finance Corporation's policy of extending aid to national institutions," said Mr. Wilson, "has been secured by satisfactory collateral owned by the bank, but which because of the depressed times has been classed as slow. The cash position of the Douglass National bank is infinitely improved and whatever there may have been of strain has been relieved.

Gen. Charles G. Dawes president of the Reconstruction Finance Corporation, in extending aid to the Douglas National, has lived up to his assertion that the corporation would use every effort to protect all national banks.

Richard Hill, Jr., is president of the Douglass bank and Anthony Overton is chairman of the board.

Douglass Nat'l Bank Closes Its Doors

CHICAGO, Ill.—The Douglass National Bank of whifch Anthony Overton was the moving spirit, has closed its doors. For months it has made heroic efforts to keep open following the passing of the Binga State Bank and other financial institutions on the South Side.

Saturday morning depositors were greeted with the sign: "Bank closed by order of the Board of Directors."

Three months ago the Douglass National Bank borrowed $115.000 from the Reconstruction Finance Corporation, and it had been hoped that the loan would extricate the institution out of its difficulties.

For many years Anthony Overton enjoyed the distcinction of being one of the most successful and reliable businessmen of his race. His retirement as president of the bank last January, when he was succeeded by his son-in-law, Richard Hill, Jr., occasioned great surprise.

Since then Overton has been involved in a bitter fight over control of the Victory Life Insurance Company those seeking to oust him as president charging mismanagement. With the closing of the Douglass National Bank, Chicago is without a large financial institution owned and controlled by Negroes.

SAD STORY OF 2 CHICAGO BANKS IN A NUTSHELL

Started As A Result Of Split Between Overton And Binga

CHICAGO.—(ANP)—Early in 1919, Jesse Binga called at six o'clock one morning at the home of Dr. Julian Lewis to keep an engagement to play golf. While waiting for Dr. Lewis to dress, Mr. Binga talked to Anthony Overton, suggesting that each of them pick two other men and start a state bank.

This suggestion was never followed through Mr. Binga.

In 1920, there was agitation for a Negro bank, but white banks in the district were reported to be prejudiced toward the opening of such a bank.

Overton wrote a cryptic note to the state auditor, suggesting that the political effect of a prejudiced stand against the opening of a Negro bank might not be in his favor.

The auditor arranged a conference between Overton and his chief deputy who asked Overton if he would endorse a bank to be organized by Binga.

The Binga State bank permit was issued in 1920, signed with the names of Jesse Binga and Anthony Overton.

Disagreement Rife

Binga and Overton failed to agree and the Binga State bank was organized without Overton. It was opened in 1920.

In 1921, Overton joined a movement started by P. W. Chavers for the establishment of a national bank.

The permit to organize this bank was granted in April, 1921.

The charter for opening the Douglass National Bank was issued June 27, 1922.

The Douglass National bank began business July 1, 1922.

The Binga bank closed July 30, 1930, just ten years after its founding with deposits of more than a million dollars and $25,000 in cash.

When the Binga bank closed, the Douglass bank had deposits of $1,500,000. For a year, depositors from the defunct Binga bank and other neighborhood institutions which had closed, enabled the Douglass bank to hold its own.

Then the string of Foreman banks and their affiliates, together with 60 other banks, failed. The effect was felt immediately at the Douglass.

Deposits Shrink

In nine months deposits fell from $1,500,000 to $408,000 on the day of closing.

At the time of closing withdrawals from the Douglass bank were $1,500 a day and deposits $300.

There was $5,600 in cash and checks in the bank when the directors closed it.

It has $600,000 in assets, half in loans and mortgages and half in securities.

The bank was ordered closed May 20, lacking a little less than ten years since its founding.

Moral, if any: Two men started to start a bank together, but could not agree. Each man started a bank under his own control. Each bank failed after a period of ten years, and the people go on forever.

ANOTHER BANK CLOSED

THE depression continues this ruthless attack upon human ingenuity. One by one the landmarks of economic progress have fallen before a relentless and soulless condition.

It is no surprise, therefore, to learn that the Douglas National Bank of Chicago has gone the way of all other struggling institutions. Say what we will, or may, it must be conceded that the Douglas National Bank has withstood the storm in a most admirable fashion and for a much longer time than was expected.

Before we indulge in hysteria and seek to destroy individuals in our endeavor to fix the blame, it might be well to consider the conditions surrounding the failures of the hundreds and hundreds of banks whose doors have closed since 1930.

When it is considered that we had only a few Negro banks, it is grace to confess that our institutions were not among the first to close, but in every single case they were among the very last to surrender. If this indicates anything at all, it tends to show that the Negroes who were operating our banks did as well, if not better, as many of the white operators whose banks were among the first to close.

It must be remembered, also, that Negroes, least of all people, are to be charged with the responsibility of the present financial depression. Negroes have nothing to do with the economic structure of our country. Negroes have nothing to do with the manipulation of stocks, bonds and other securities. Negroes have no voice in fixing tariffs, or of levying taxes. The machinery of government, so far as this country is concerned, is beyond the reach of Negro participation. We did not bring on the depression.

Rather, we think the Negro is to be congratulated that he has been able to exist during these unusual times. Having nothing to do with the creation of conditions, we are in the most embarrassing position of all citizens in our effort to meet these conditions. We rise each morning, not knowing what will be thrust upon us during the day. We retire at night, not knowing what agency is burning the midnight oil in an effort to change our entire economic status. We are not among the influences that control the financial agencies of this country. We operate entirely on the outer fringes of American business. Our collateral is not only small, but frequently turns to ashes in our hands. Our credit is fixed, not by ourselves, but by those to whom we apply for credit.

Surely a group of people, subjected as we are to influences with which we have absolutely nothing to do, must be considered fortunate indeed if we can, in the smallest measure, cope with this unusual financial condition.

Mr. Overton and his associates are to be congratulated that they held on as long as they did, and the Negroes of Chicago must feel some comfort in the knowledge that they and their community were among the last victims of a ruthless depression. Like every other American citizen, the Negro must pick up the broken parts of his financial house and begin again and build for tomorrow upon the ruins of today. We have weathered other storms and we will weather this one. We have fought off other foes and we will fight off this one. Let us face the sun. We still have faith in tomorrow.

RACE'S LEADING FINANCIAL INSTITUTION GOES ON THE ROCKS; CRASH WAS EXPECTED

Loss of Depositors and Lack of Public Confidence, Given as Cause for Institution's Failure

CHICAGO — The Douglas National Bank, the leading financial institution of the race in the country, and one of the two national banks owned and operated by Negroes, closed its doors last Friday by vote of the board of directors, and the affairs of the institution are now in the hands of the federal bank examiners. Richard Hill, president, who recently succeeded his father-in-law, Anthony Overton, former president and founder of the institution, in a brief statement declared that the banks' failure was due to the steady withdrawal of its depositors whose confidence it was unbale to retain.

The closing of the bank was precipitated, it is claimed, by the inability of the bank to cash a check to the amount of $800.00. The board of directors immediately ordered it closed, and the federal authorities were sent out to make an examination of the institution's books.

Overton, who is now chairman of the board of directors, has beenal in hot water for some time, due to the fight being waged among the officials of the Victory Life Insurance Company, of which he is the president. He has been charged with gross mismanagement of the affairs of the company and diverting the company funds for his personal uses. This, together with the fact that some of the more popular members of the board of directors have resigned is given as a contributing cause to the institution's failure.

How the closing of the Douglass Bank will affect the Victory Life Insurance Company, t he Overton Hygienic Company, the Chicago Bee, and the several other institutions of which Overton is the head is causing much speculation and some concern.

ONE OF THE FEW BANKS RUN BY NEGROES FAILS

Chicago, Ill.—The Douglas National Bank closed its doors here last Saturday. The bank was controlled by the Anthony Overton interests. It had weathered the storm which wiped out most of the other Southside banks a year ago. But it had been reported in difficulties recently. However, it was later announced that it had made satisfactory "arrangements."

The bank was originally founded by Samuel Chavis of Chicago in 1924. The controlling interest was later acquired by Mr. Overton. Some of Mr. Overton's critics claimed that he maneuvered Chavis out of it. But Mr. Overton and his friends insisted that the deal was open and above board. Anyway, the bank grew under the Overton regime. At one time in 1929, it had assets of approximately three million dollars.

It will be recalled that one of the charges Messrs. Shaw and Stamps brought against Mr. Overton was that, using his position as president of the Victory Life Insurance Company, he manipulated its assets to cover a deficit in the Douglas National Bank, of which he was also president. They claimed that the impairment was actually discovered in July 1931, by the bank examiner of Illinois.

Overton denied these charges and accused Shaw and Stamps of being ingrates, who were trying to ruin him in order to get possession of Victory Life. After the annual stockholders' meeting, where he and they clashed openly, he removed Shaw and Stamps from the board of the Victory Life.

They claimed it was because they resisted a further transfer of Victory assets to Douglas National. During the argument, they had alleged that Victory Life owns approximately 400 shares of the Douglass National Bank stock.

In April, Overton retired as president of the Douglas National Bank. His son-in-law, Attorney Richard Hill, was elected in his place. Overton remained chairman of the board of directors of Dauglas National and president of Victory Life Insurance Company. Overton owned the controlling interest in Douglas National.

There is much speculation as to what effect failure of Douglas National will have on the Victory Life. It can not be known whether it has any, or how much, until it is known how much, if any, Victory Life assets have been mixed with those of Douglas National. However, it is easy to imagine that Shaw and Stamps have their tongues in their teeth because the straws are beginning to point toward their vindication.

Banks—1932

HEAVY DEPOSIT WITHDRAWAL IS CLOSING CAUSE

Recorder

Lack Of Cash And Confidence Are Other Contributing Factors

5-28-32

CHICAGO, May 27.— The Douglass National bank was added to the nation's list of bank failures, Friday of last week, when members of the board of dircetors voted to close the institution.

Closing of the bank followed a steady withdrawal of deposits over a period of nine months which reduced the amount of more than $2,000,000 to the comparatively insignificant sum of $408,000, according to a statement by Richard Hill, Junior.

The Douglass bank was one of two Negro national banks in the country, the other is Boley, Okla.

$1,600,000 was paid out in withdrawals over the counter of the Douglass bank since the closing of the Foreman National bank in the loop nine months ago, said Mr. Hill.

In a statement to the press the latter admitted the bank was facing a crisis when he took over the reins but that he was able to make up its impairments and restore solvency. Hill declared the bank was in excellent condition when it closed.

Asked how much would be required to set the bank on a sound footing, Hill said he would have been able to keep the doors open and restore confidence if he could have secured $40,000 or $75,000. Even $25,000 or $30,000 would have done the job, he admitted.

The sign reading "Closed by Vote of Directors," appeared on a window of the bank when the institution failed to open its doors Saturday morning. Later in the day the bank was taken in charge by the national bank examiners.

Overton Is Storm Center

Statements from the president and from officials connected with the office of the controller of the currency agree that the bank is solvent but that it closed because no one had suficient confidence in the institution to deposit money there.

Overton, who has been in hot water with associates at the bank and at the Victory Life Insurance company of which he is president, for the past year, popped into the limelight this week as gossip about the bank and the contributing causes of its failure became the topic of discussion both by business men and the man in the street.

Actual Cash Lacking

Three weeks ago the bank launched a prosperity drive in the hope of getting deposits. Attorney Euclid L. Taylor was put in charge of the campaign. It was his intention, Mr. Taylor said, to get 10,000 people to deposit $5 each. This would have saved the bank. But the people lacked confidence and the bank had to close. Prizes, among which was an automobile were offered in connection with the drive.

During the last few weeks the bank has been absoutely without cash. It took half an hour to cash a check for $5.90 drawn by the Victory Life Insurance company a week ago. A policeman said he was unable to get change for a $5 bill in the bank two days before it closed.

Mrs. Alice Johnson, 5248 Calumet avenue, said she was unable to convert a cashier check for $883.40 last week. She claims she gave 60 days notice in Janpary for withdrawal of her account, and that in March, when she attempted to withdraw the money she was told there was no record of her notice. The request was renewed, and May 19 she was given a cashier's check

OVERTON BOARD DECIDES TO SUSPEND

Withdrawals were Exceeding Deposits, Officials Say.

Chicago Defender-American

ONCE A MILLION ON DEPOSIT

Chicago Defender

Couldn't Meet $8,000 Cash Obligation.

5-28-32

CHICAGO, (ANP)—Driven by decreasing deposits and increasing withdrawals to a place where it could not meet clearing house obligations of $8,000 on Friday, the Douglass National Bank closed its doors here Friday afternoon.

The action came as a result of a decision by the board of directors that it could not operate longer against the serious odds, President Anthony Overton, chairman, stated shortly after the closing.

Had $5,600 Cash

At the time of its closing its cash had dwindled to $5,600 as a result of continued withdrawals by depositors. Many of these depositors had been withdrawing funds since the close of the Binga State Bank. Brown paper covering the large front windows greeted depositors Saturday.

Loans Depreciated

"At one time we purchased $20,000 worth of bonds of the Youngstown Steel and Tube Company," explained Anthony Overton, 66-year-old chairman of the board. "We bought them at $101 and later had a purchaser at $112, making eleven dollars on each bond. They seemed good to us. We purchased $5,000 worth more at $99—today they're worth only $50."

Slow paper and depreciated securities strangled the institution. Withdrawals increased their percentage over deposits until the bank was faced with a condition where $1,500 being withdrawn each day against $300 that was deposited. Each day brought the institution nearer and nearer the brink. During eight years prior to the depression, the bank had only begar required to make up some $80,000

n impaired securities or loans. In two years of the dpression, the impairment amounted to nearly $300,000. Just a week before the bank was closed, Richard Hill, Jr., the lawyer-president, had worked prodigiously and successfully to restore an impairment of $113,000. Fifty per cent of this impairment was made up by assessments on stockholders and 50 pr cent through the collection of loans.

The closed bank has notes and securities of about $600,000, half of which are in mortgages and loans and the other half in gilt-edged bonds, so-called, which suffer because of the depressed markets. The deposits at the time the bank closed amountd to $405,000. About $75.000 was in commercial accounts and the rest in savings.

At its peak, the Douglass Bank had on deposit more than a million and a half dollars. Those deposits were cut down, either from necessity or fear, to $405,000. More than seventy banks, only one of them colored, failed in Chicago, and, as their lights blinked out, public confidence was shaken. The bank withstood three runs. But withdrawals rapidly caught up with deposits. Then the withdrawals began to exceed the deposits. The bank's officers were forced to realize on its securities and loans in order to meet the deposit obligations. The finest securities de-

closing, Victory Life Insurance Company, too, is endangered.

The order was forced upon the board. Ever since the financial structure of the Negro community of Chicago's Southside began to crumble in July of 1930 when the Binga State Bank failed, Anthony Overton, president and chairman of the board and his corps of advisors had struggled on with courage and legerdemain against a fate that was certain. Last Friday afternoon the bank did not have sufficient funds to meet its clearing house obligations. The obligations were $8,000. All that the bank had was $5,600.

Ends Sacrificial Battle

Now that the bank is closed, the story of the magnificent and sacrificial battle made from the highest official to the least of the employes to save the institution is out. More dreary and deserted than Goldsmith's famed Avalon is today the one brightly-lit and busy block which separates the old Binga bank and the Douglass which lies in a state of coma. Behind each empty store front is a harrowing story of financial tragedy. On door after door of the favored the gods of the depression have marked the sign of death.

Brown paper now covers the large front windows through which a curious public used to peer at the Douglass huge vault. There is a quietness of an orderly wake around the Douglass Bank building, once a hive of thriving offices and stores. There stands forlorn today only the Douglass pharmacy—gone are all the others—on the main floor front.

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IN DANGER

Journal & Guide

Douglass National Was Only One Owned By Negroes

5-28-32

SOUTHSIDE STUNNED

Norfolk, Va.

Had Made Valiant Effort To Weather Depression

CHICAGO.—(ANP)—After battling valiantly but futilely against the relentless gods of the depression for more than two years, the directors of the Douglass National Bank Friday afternoon chose discretion as the better part of valor and ordered the famous race institution temporarily closed in the hope of being able to effect readjustments and reorganization. With the closing, Victory Life Insurance Company, too, is endangered.

The order was forced upon the board. Ever since the financial structure of the Negro community of Chicago's Southside began to crumble in July of 1930 when the Binga State Bank failed, Anthony Overton, president and chairman of the board and his corps of advisors had struggled on with courage and legerdemain against a fate that was certain. Last Friday afternoon the bank did not have sufficient funds to meet its clearing house obligations. The obligations were $8,000. All that the bank had was $5,600.

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Overton

Banks—1932

HEAVY DEPOSIT WITHDRAWAL IS CLOSING CAUSE

Recorder

Lack Of Cash And Confidence Are Other Contributing Factors

5-28-32 Pittsburgh Courier

CHICAGO, May 27.— The Douglass National bank was added to the nation's list of bank failures, Friday of last week, when members of the board of dircetors voted to close the institution.

Closing of the bank followed a steady withdrawal of deposits over a period of nine months which reduced the amount of more than $2,000,000 to the comparatively insignificant sum of $408,000, according to a statement by Richard Hill, junior.

The Douglass bank was one of two Negro national banks in the country, the other is Boley, Okla.

$1,600,000 was paid out in withdrawals over the counter of the Douglass bank since the closing of the Foreman National bank in the loop nine months ago, said Mr. Hill.

In a statement to the press the latter admitted the bank was facing a crisis when he took over the reins but that he was able to make up its impairments and restore solvency. Hill declared the bank was in excellent condition when it closed.

Asked how much would be required to set the bank on a sound footing, Hill said he would have been able to keep the doors open and restore confidence if he could have secured $40,000 or $75,000. Even $25,000 or $30,000 would have done the job, he admitted.

The sign reading "Closed by Vote of Directors," appeared on a window of the bank when the institution failed to open its doors Saturday morning. Later in the day the bank was taken in charge by the national bank examiners.

Overton Is Storm Center

Statements from the president and from officials connected with the office of the controller of the currency agree that the bank is solvent but that it closed because no one had suficient confidence in the institution to deposit money there.

Overton, who has been in hot water with associates at the bank and at the Victory Life Insurance company of which he is president, for the past year, popped into the limelight this week as gossip about the bank and the contributing causes of its failure became the topic of discussion both by business men and the man in the street.

Actual Cash Lacking

Three weeks ago the bank launched a prosperity drive in the hope of getting deposits. Attorney Euclid L. Taylor was put in charge of the campaign. It was his intention, Mr. Taylor said, to get 10,000 people to deposit $5 each. This would have saved the bank. But the people lacked confidence and the bank had to close. Prizes, among which was an automobile were offered in connection with the drive.

During the last few weeks the bank has been absosutely without cash. It took half an hour to cash a check for $5.90 drawn by the Victory Life Insurance company a week ago. A policeman said he was unable to get change for a $5 bill in the bank two days before it closed.

Mrs. Alice Johnson, 5248 Calumet avenue, said she was unable to convert a cashier check for $883.40 last week. She claims she gave 60 days notice in Janpary for withdrawal of her account, and that in March, when she attempted of withdraw the money she was told there was no record of her notice The request was renewed, and May 19 she was given a cashier's check

OVERTON BOARD DECIDES TO SUSPEND

Withdrawals were Exceeding Deposits, Officials Say.

Chicago Defender-American

ONCE A MILLION ON DEPOSIT

Chicago Defender

Couldn't Meet $8,000 Cash Obligation.

CHICAGO, (ANP)—Driven by decreasing deposits and increasing withdrawals to a place where it could not meet clearing house obligations of $8,000 on Friday, the Douglass National Bank closed its doors here Friday afternoon.

The action came as a result of a decision by the board of directors that it could not operate longer against the serious odds, President Anthony Overton, chairman, stated shortly after the closing.

Had $5,600 Cash

At the time of its closing its cash had dwindled to $5,600 as a result of continued withdrawals by depositors. Many of these depositors had been withdrawing funds since the close of the Binga State Bank Brown paper covering the large front windows greeted depositors Saturday.

Loans Depreciated

"At one time we purchased $20,000 worth of bonds of the Youngstown Steel and Tube Company,' explained Anthony Overton, 66-year-old chairman of the board. "We bought them at $101 and later had a purchaser at $112, making eleven dollars on each bond. They seemed good to us. We purchased $5,000 worth more at $99—today they're worth only $50."

Slow paper and depreciated securities strangled the institution. Withdrawals increased their percentage over deposits until the bank was faced with a condition where $1,500 being withdrawn each day against $300 that was deposited. Each day brought the institution nearer and nearer the brink. During eight years prior to the depression, the bank had only begar required to make up some $80,000 in impaired securities or loans. In two years of the dpression, the impairment amounted to nearly $300,000. Just a week before the bank was closed, Richard Hill, Jr., the lawyer-president, had worked prodigiously and successfully to restore an impairment of $113,000. Fifty per cent of this impairment was made up by assessments on stockholders and 50 pr cent through the collection of loans.

The closed bank has notes and securities of about $600,000, half of which are in mortgages and loans and the other half in gilt-edged bonds, so-called, which suffer because of the depressed markets. The deposits at the time the bank closed amountd to $405,000. About $75.000 was in commercial accounts and the rest in s ings.

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posits at the time the bank closed amounted to $405,000. About $75,000 was in commercial accounts and the rest in savings.

After telling how the bank was started in 1921 after it was granted a charter by the comptroller of the currency appointed by the late President Harding, Mr. Overton said that he hoped the bank could be reorganized; but he was not so sure that his wishes for reorganization would come true.

Mr. Overton explained that the bank had been able to preserve a large amount of the savings accounts by putting into effect a rule whereby the bank refused to pay depositors more than a certain percentage of their account, in most instances $10.00 every week or every two weeks, unless a 60-day notice were given. If the 60-day notice were given, the bank was forced at the expiration of that time to pay over the entire amount due.

Hill Makes Statement

"Well, tonight I can go home and go to sleep for the first time in the past three months," stated Richard Hill, Jr., the president of the bank when interviewed Saturday after a sign had been posted in front of the bank that the United States comptroller was in charge.

"We have fought a good fight," Mr. Hill continued. "Federal reserve officials, bankers and officials connected with national banking have all commended us, but the odds were too great and we finally had to admit defeat.

"We have just finished making up an impairment $113,000 which the bank examiners required us to straighten up. They had given us until a month ago. We were unable to meet the obligation at that time, but we did so last Monday, the 16th. Fifty per cent of it was secured by making collections on slow paper which we held as a result of loans made. The other fifty per cent came from assessments levied on stockholders.

"We received assistance twice from the Federal Reconstruction Finance Corporation, but not enough to halt the debacle (Mr. Hill declined to state the amount of the loans received from the Finance corporation, but admitted that the bulk of the amount received went to reimburse the Continental Illinois and Commercial Bank, a loop institution, to which they were indebted).

"Our deposits dwindled from $1,500,000 to $500,000 in 9 months. The great loss of deposits began with the closing of the Foreman banks (a large white institution which was forced to merge some months ago with the First National Bank). The Binga closing did not affect us so much. What we lost was more than made up through new depositors who came to us from the Binga and other neighborhood banks which closed."

The directors who ordered the bank closed are: Anthony Overton, chairman of the board; Richard Hill, Jr., president; W. K. Hooks, vice president; Dr. E. S. Miller, Dr. Julian H. Lewis, Sandy W. Trice, George T. Kersey, John T. Montgomery and the Rev. John H. Branham.

The public can only conjecture the effect of permanent closing of the Douglass bank, if only the associated Overton interests are taken into account. Mr. Overton admits that if the bank is to remain closed permanently, it would cause some concern as to the position of the Victory Life Insurance Company. There is some disposition to believe that the Overton-Hygienic company has been kept free from entanglement, but it is not possible to report as much of The Chicago Bee and the subsidiary printing company of which the other Overton businesses were large customers.

May Name Atty. A. M. Burroughs as Bank Receiver

East Tennessee News

CHICAGO, Ill.—The name of Atty. A. M. Burroughs, has been submitted by a committee of Chicagoans as permanent receiver for the closed Douglass National bank. William D. Allimono, local accountant, was in charge of the committee.. The committee has been active in seeking the endorsement of various organizations and clubs, contending that inasmuch as 95 per cent of the depositors of the bank are colored people, and that the stockholders and officers were 100 per cent colored.

2-16-32

Mr. Alllimono said that the appointment of Mr. White, a white man, now serving as receiver for several closed banks in Chicago, was appointed as acting received, and that a permanent official would not be named until the bank examiners had made a report upon the assets and liabilities of the institution.

Appeal to Congressman

Appeals have been made to Congressman DePriest and Sen. Gleen, who stated that a received had been appointed, but DePriest offered the names of several attorneys to act for the receiver. 6/16/32

Mr. Anthony Overton is said to be endeavoring to interest a group in re-organizing the bank. According to announcement, it is stated that if sufficient capital could be found to reopen the institution, Overton would aid to the best of his ability, stepping out when the revival was accomplished to permit the election of whatever new officials were desired.

Banks-1932

Massachusetts.

S. E. COOP. BANK MAKES HEADWAY

Chronicle

9/17/32

Boston Mass.

Officers Elected at Annual Meeting Held Last Week

The South End Co-operative Bank at 806 Tremont street, Boston, held its 11th annual meeting on the 8th day of September, 1932.

The meeting was well attended and the shareholders were very enthusiastic over the success of the bank during these eleven years. The Annual Report showed that the assets of the Bank had passed the $140,000 mark.

A unanimous vote was passed praising and thanking the officers of the bank for their untiring efforts to make this bank an institution fully meeting the needs of the community, and also meriting the pride of its shareholders.

All of the officers of this bank serve without pay.

With the past record of the bank and the continued confidence and support of its shareholders it is not too much to expect the South End Co-operative Bank to take its place among the leading co-operative banks of our state.

The Bank is a member of the Massachusetts Co-operative Bank League, and also a qualified member of the Central Co-operative Bank and has never paid less than 5 per cent dividend. During this period of depression when so many banks were closing not one co-operative bank closed its doors. The bank urges the public to come in and learn more about Co-operative Banking. Its shares are always on sale.

The officers are: Edgar P. Benjamin, President; John B. Hall, Vice President; Jesse Goode, Treasurer; John M. Burrell, Clerk. The directors are as follows: Edgar P. Benjamin, John M. Burrell, Walter J. Fubler, Cornelius N. Garland, Jesse Goode, C. Hilton Greene, John B. Hall, William A. Hemingway, Mildred V. Benjamin, David S. Klugh, Esterene Z. Roundtree, Christopher S. Winter, William A. McCoy, John A. O'Brien, Theodore E. A. McCurdy.

Banks-1932

MAJOR ROBERT R. WRIGHT ISSUES CONVENTION CALL

President of the National Negro Bankers Association Announces 1932 Convention for Richmond

The Negro Bankers of the United States have been called to meet in annual Convention at Richmond, Virginia, September 22nd and 23rd, according to a communication received in this city from Major R. R. Wright, Sr., the President of the Association and the President of the Citizens and Southern Bank and Trust Company, Philadelphia. The information was released to Henry A. Boyd, who is the First Vice-President of the Bankers Association, and was urging him to accept a place on the program for the Richmond session. The Consolidated Bank and Trust Company in the Old Dominion State capital will be the entertaining bank. Mr. Emmett C. Burke is the President of that institution while Madame Maggie R. Walker is the Chairman of the Board of Directors. Major Wright delivered an address before the National Negro Business League several weeks ago on the subject "Can the Negro Banks stem the tide." Friends commenting on this address and personal letters from those who heard it are all of the opinion that the President of the Negro Bankers Association produced facts and figures to show that the Negro bankers and the Negro banks had more nearly stemmed the tide and proven more conclusive that they were prepared to conduct and operate than the outstanding public seems to know. At the Richmond session officers will be chosen and an Executive Committee selected for the next twelve months.

COLORED DEPOSITORIES IN U. S. NUMBER FIFTEEN

Bankers' Association Postpones Meeting Until '33. Issues Statement To Country.

OPPORTUNITY FORESEEN

Advancement of Group in Investment Business is Sufficient to Assure Success

By MAJOR R. R. WRIGHT, SR.
President National Negro Bankers Association

PHILADELPHIA, Pa., Sept. 29—The National Negro Bankers Association has chosen not to meet this year, but to send to the people, especially those who have had the courage to deposit in banks owned and managed by Negroes, their heartiest greetings.

Fifteen Banks Operating

It will be gratifying to all well wishers desiring to promote the development and progress of financial institutions fostered by our group to know that we have yet fifteen (15) banks which have stood and are still meeting the acid test of the storm of depression and unemployment which have swept over the country. In Georgia we have the Citizens Trust Company at Atlanta; and the Middle Georgia Savings and Investment Company at Macon; in Texas, the Fraternal Bank and Trust Company at Fort Worth; in Tennessee, the Citizens Savings Bank and Trust Company at Nashville; in South Carolina, the Victory Savings Bank at Columbia and the Charleston Mutual Savings Bank at Charleston; in North Carolina, the Mechanics and Farmers Bank at Durham; in Virginia, the Danville Savings Bank and Trust Company at Danville; the Metropolitan Bank and Trust Company at Norfolk, the Crown Savings Bank at Newport News and the Consolidated Bank and Trust Company at Richmond; in Oklahoma the Farmers and Merchants Bank at Boley; in the District of Columbia the Industrial Savings Bank and the Prudential Bank; in Maryland Harry O. Wilson, Banker, at Baltimore and in Pennsylvania the Citizens and Southern Bank and Trust Company at Philadelphia.

Present Fine Records

While these banks have been hard hit, they still present to the people a fine record of achievement during these three years of depression.

It is a matter of thorough regret that conditions during this year render it problematical whether the various bankers should leave their banks to attend a public meeting in some distant city. While it is true that the question of postponement arose, however, some were quite willing to hold their regular meeting this year and others felt that it would be best to postpone this meeting to 1933. The idea of postponement prevailed and the bankers will stick by their banks this year. This temporary hesitancy will pass as other embarrassments have passed and next year we hope to meet as usual

Hold Much For Future

In preparation for the coming prosperity which awaits our people and the growing confidence in the ability of Negroes to manage banking institutions, the National Negro Bankers Association wishes to call attention to the fact that our banks have stood in many communities where dozens and scores of other banks have closed their doors. The men and women who are engaged in conducting this class of banks have learned from experience that it deserve the confidence of our people, they must surpass in honesty, efficiency and courtesy. Experience has demonstrated that the Negro can learn banking as readily as he can learn any other class of business. Experience has also demonstrated that the people are willing to trust their money in Negro banks. Only one of the fifteen banks named was forced to close its doors during this economic debacle and even this bank has been able to re-open because of the confidence of the people in the honesty and the efficiency of the men in charge of the bank. The colored people are also learning that their own banks are more seriously interested in the safety of their monies which are deposited in these Negro managed banks than are some other people. This class of depositors can get nearer to the bank management and know more about the safety of their banks than they can possibly know of other banks where they merely deposit their money and do not in any large way come in contact with those with whom they deposit their money. Another thing the people are learning, that other banks can fail just as readily as Negro banks and that these other banks are not all conducted by honest men, though white, and that stealing and squandering the depositors' money is not confined to Negro bankers. They are also learning that a thousand times more Negro money is lost year after year in other banks than is lost in Negro banks. Under these circumstances the Negro is learning that he is as well off trusting his money to Negro bankers as he is trusting his money to others.

Are Up On Investing

And, too, the Negro bankers are learning better how to safeguard and invest their depositors' money than ever before. The Negro banks themselves are teaching borrowers the fact that they must meet their loans with Negro banks at the due date just as readily as they meet their loans with white banks at the due date. Many of the troubles of colored banks have been brought about by the fact that the borrowers were not forced to give ample security and were not forced to pay their loans at a due date. Many of the borrowers from Negro banks thought only of securing the loan. The matter of paying the note did not often worry them. The worry was to get the loan. They were prompt in borrowing but not prompt in paying. Negro bankers are teaching the people not only the lesson of thrift, but the lesson of prompt payment of their obligations.

Youth Are Prepared

One of the sad facts which the Negro bankers are meeting today is the demand of many of our young people who are studying banking and who want somewhere to practice their banking knowledge. Unless our people support Negro banks, we cannot see where our young men and women who are studying banking can find any opening to practice what they have learned in school. Very few white banks are employing colored men and women. It is useless for our young people to continue to study banking unless our people are willing to support banking.

Right Attitude Needed

It is evident also that those who are engaged in operating banks must learn that they must sacrifice to assemble and cooperate. White bankers of every description all over the country are making every sacrifice possible to get together and learn each others' point of view and to get from each other the latest experience in banking. There must come into the banking business men and women who are more interested in this lesson of development than many of the men who are now in banking. The banker who expects to play a lone-hand and to develop from his inner consciousness all his methods of banking is a back number and is bound to fail. Many of the failures in banking and in other financial enterprises have no doubt been due largely to the fact that people who are engaged in these undertakings have thought that they were sufficient unto themselves and that they were perhaps in their line about the greatest, if not the only, pebble on the beach, and therefore, they did not need to come in contact with anybody else in their line of work. They finally found themselves absolutely helpless. Young people who are expecting to go into the banking field must realize that they have got to follow the line of procedure that is being followed by the successful white men and women who are engaged in banking. Hence, the necessity for the National Negro Bankers Association. Somebody must insist upon our bankers getting together and studying their problems and laying before each other, if not before the people, their plans. Unless a banker is willing to lay before the people something of his procedure in his own business it is doubtful whether or not he will gain their confidence and finally succeed.

Hence, the National Negro Bankers Association will continue to insist upon every banker engaged in banking the money of our people joing the Association and making it a power for the encouraging of our people along the lines of thrift and self-help. Our banks are our best hope for encouraging those of our youth who expect to enter the field of finance. It is true that we have made and will make failures in this field, but nevertheless, we are traveling the path that others trod. We must take our medicine as others have taken theirs. No tenderfoot can expect to cope with the economic and financial

conditions which are confronting us year after year. In this intelligent age every business man is subjected not only to severe competition but merciless criticism. The black man must be able to meet such with as much grace and success as the white man. He cannot wrap his cloak about him and feel that he will succeed regardless. It is going to take much coaxing to get the colored man bank-minded so far as depositing his money in the custody of banks managed by colored men. Therefore, in order to teach our people the lesson indicated above, the managers of the National Negro Bankers Association are putting forth every effort.

In conclusion, may I add for the benefit of our bankers that a partial investigation has disclosed the fact that it is possible for our banks to secure cash from the Home Loan Banks for our home owners and home buyers without resort to Building and Loan Associations. It is an evident fact that our B. & L. Associations cannot do it all. There must, then, be left no doubt that our banks can be and are of real service to our people, not only in thrift movements, safe-guarding their money, but in safeguarding their homes.

Banks - 1932

New York

Many Felicitate Dunbar National Bank on Its Fourth Anniversary; Has Twenty Negro Employees

age 4 - 24 - 32

New York, N.Y.

The fourth anniversary of the Dunbar National Bank, which was celebrated last week, calls attention to the important place this bank has come to fill in Harlem. Established by John D. Rockefeller, jr. as a part of his Dunbar Garden Apartment project this bank through its friendly attitude has grown rapidly and is now one of the strongest financial institutions in New York City.

The Dunbar Bank is more than a business institution ; it is one of the outstanding experiments in inter-racial business cooperation in this country. The depositors are made up of both races, the employees are both white and colored and it also has a mixed Board of Directors.

Three of the principal officers are white but the other members of the staff, numbering twenty, are all colored. One of these employees, Robert P. Braddicks, is assistant vice president. Although for a time, there were two white tellers, these have now been replaced by young colored men trained by the bank.

The bank has not only aided Harlem by giving employment, but it has also aided the home-buyers of Harlem. At the present time the bank holds $330,000 in mortgages on homes in Harlem. It has promoted thrift through its Christmas Savings and Thrift accounts—there are 5200 savings accounts and 1300 Christmas Clubs. The bank also has 1,100 checking accounts. Total deposits amount to $1,500,000 and the total resources are more than $2,000,000.

The friendly attitude of the bank is due in a large measure to the personality of Charles C. Huitt, president. Although Mr. Huitt is also the president of the Amphere National Bank of Orange, N. J., he gives much of his time to the Dunbar Bank and is much interested in the people of Harlem. He is easy to approach and is so friendly that many people who are not now depositors of the bank call on him for financial advice.

His assistants, Arthur H. Thien, vice president, and Albert W. Eichenberger, cashier, are also of pleasing personalities and much interested in the problems of the people of Harlem.

Many messages of congratulations and flowers were received on the occasion of the bank's fourth anniversary.

Banks-1932

Spaulding Denies Durham Banks Are Closed

A personal letter written to a New York woman by a friend in Durham, N. C., brings the information that on Saturday, January 2, every bank in that city was closed by order of the State Banking Department.

No details are given as to the reason, nor were the names of the banks given.

Upon hearing of the rumor which spread through Harlem, The New York Age immediately telegraphed C. C. Spaulding, president of the North Carolina Mutual Insurance Company, Durham, for confirmation or denial of the rumor.

Mr. Spaulding's telegram follows:

"Rumors unfounded. Only one small bank closed by its directors. All other banks doing business as usual. Mechanics and Farmers in excellent shape.

"C. C. SPAULDING."

First National of Durham Fails; Mechanics Bank Sits Tight

By STAFF CORRESPONDENT

DURHAM, N.C.—One of the greatest surprises in the financial world took place in this city Monday when the First National Bank, white, which is approximately half a century old, closed its doors.

This bank, which is alleged to have had $7,000,000 on deposit, was forced to close as a result of a run on the bank by its depositors.

The Farmers' and Mechanics' Bank, located on the main floor of the North Carolina Mutual Life Insurance Company, was not affected by this run and was declared by its stockholders to be impregnable. Depositors proved their faith by continually streaming to the bank and making deposits and pledging to the directors and stockholders their implicit confidence in the management of the institution.

The Farmers' and Mechanics' Bank is one of the strongest institutions in the Southland and its depositors are made up of both races in Durham and cities nearby.

Another thing which brought out interest and much discussion among Durham citizens was the fact that some persons who did not have faith i ntheir own bank, the Farmers' and Mechanics', lost money in the First National

Banks - 1932

Oklahoma.

Boley Panic-Stricken Over Robbery; Run Closes Its Bank

Chicago Defender

12-24-32

BOLEY, Okla., Dec. 23.—The Farmers and Merchants bank of Boley, Okla., the only Race bank in the United States owning a national charter, was forced to close its doors last week because its president was killed three weeks ago by George Birdwell, famed bandit-companion of Charles (Pretty Boy) Floyd.

State Bank Commissioner W. J. Barnett, announcing the closing of the institution to prevent a run of depositors, said that action was due directly to the killing of D. J. Turner, aged bank president and mayor of the town, in the attempted robbery.

Birdwell, who with Floyd terrorized country banks throughout Oklahoma for 18 months, and a Race bandit who accompanied him, were killed in the raid. H. C. McCormick, bank bookkeeper, shot Birdwell just after the bandit killed Turner for sounding an alarm.

Will Is Disclosed

As if in anticipation that when he died the institution would close, Turner, about 62, provided in his will that his 130 shares of stock in the Boley bank were to be sold by his administrator immediately after his will was probated.

Total shares in the bank number 200.

Barnett said that Turner, talking to him several months ago, said he did not think it would be possible to carry on the institution after his death because he had been unable to train any member of his Race to take his place. The Boley bank was chartered 26 years ago.

Old Friends Depositors

Six old schoolboy friends and close associates of Turner, many of whom had made money in Seminole oil developments, had $70,000 of the $128,000 of the bank's total deposits. Barnett said that after Turner's death his life long friends were reluctant to leave the heavy deposits in the bank. At a meeting with depositors, Barnett said he decided it would be impossible to keep the bank open if the big depositors insisted on withdrawing funds.

M. C. Trimble, bank examiner, telegraphed Barnett that the institution had closed.

The bank commissioner said the Boley bank closed in excellent condition and he does not expect any large loss. He said it was necessary to take charge in order to protect small depositors.

Turner's will was probated in Okfuskee county court Monday, but his stock had not yet been sold. Reputed to be a wealthy man, Turner's estate was much smaller than was originally expected.

BOLEY BANK TO REOPEN AFTER BRIEF CLOSING

Journal and Guide

Fatal Holdup Caused Hysterical Run On Okla. Bank

12-31-32

BOLEY. Okla.—(CPS)—The only Negro bank in this all-Negro town which was closed Thursday, December 15, following a run on it growing out of the recent fatal shooting of its founder and president, David J Turner, by white bandits, has been reopened, confidence has been established, and the institution is again on the way to continue financial leadership in this part of the state.

Norfolk, Va.

The request to close the bank was made to conserve its assets, pending a reorganization of the stockholders which was scheduled for January, but the stockholders met, bought the 120 shares left by the late Mr. Turner to his wife, and the Bank Commissioner Barett announced that the bank was again ready for business. The shares sold for $100 each.

The bank was established here two years before Oklahoma was made a state. It later absorbed the First National Bank of Boley which was the first Negro national bank in the United States.

On November 23, George Birdwell, right hand man of "Pretty Boy" Floyd, both notorious white outlaws, killed President Turner, and then was in turn slain by H. C. McCormick, cashier. Mr. McCormick has been made a major on the staff of the governor of Oklahoma and has received $1,000 reward for his deed. "Pete" Glass, colored accomplice was killed by the vigilantes of Boley as he attempted escape, and the third bandit, white, was seriously wounded.

At the funeral of Mr. Turner, prominent citizens of the state and leaders in finance of both races, attended and sounded high eulogies to his memory.

TURNER WILL CALLS FOR IMMEDIATE LIQUIDATION OF BOLEY BANK

CITIZENS TALK PLANS OF REORGANIZATION FOLLOWING PURCHASE OF SLAIN PRESIDENT'S STOCK

Black Dispatch

Bank Commissioner Alleges Assets In Finest Of Condition

1-2-33

BOLEY, Okla., Dec. 22.—The Farmers and Merchants Bank of this city has closed its doors, thus passing the last bank owned and controlled by Negroes in the state of Oklahoma. The bank's closing is the direct result of the killing three weeks ago of D. J. Turner by George Birdwell, confederate and partner of Charles "Pretty Boy" Floyd.

State Bank Commissioner W. J. Barnett, announcing the closing of the institution to prevent a run of depositors, said the action was due directly to the killing of D. J. Turner, bank president, in the attempted robbery.

Birdwell, who with Floyd terrorized country banks throughout Oklahoma for 18 months, and a Negro bandit who accompanied him, were killed in the raid. H. C. McCormick, bank bookkeeper, shot Birdwell just after the bandit killed Turner for sounding an alarm.

Rumor has it that an effort will be made to assemble more capital and purchase the Turner stock in the bank in accordance with the terms of the will, which provides for the immediate sale of the Turner stock, which amounts to 130 of the bank's 200 shares. It appears that the slain bank president had used extreme care in the preparation of his will, and had provided his wife and all of his heirs with a copy of same. If citizens carry out their tentative plans the bank will re-open.

It was Turner's notion that he wanted the bank liquidated while the institution was solvent and he in this manner felt that his wife and heirs could receive the most from the bank holdings. State Bank Commissioner Barnett said that Turner talked with him several months ago, and said that he did not believe that it would be possible to carry on in the event of his death. The Boley bank was chartered 26 years ago.

Old Friends Depositors.

Six old school boy friends and close associates of Turner, many of whom had made money in Seminole oil developments, had $70,000 of the $128,000 of the bank's total deposits. Barnett said that after Turner's death his life-long friends were reluctant to leave the heavy deposits in the bank. At a meeting with depositors Barnett said he decided it would be impossible to keep the bank open if the big depositors insisted on withdrawing funds.

M. C. Trimble, bank examiner, telegraphed Barnett today that the institution had closed.

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Banks-1932

Wright's B
Courier
Federal I
Pittsburgh, Pa

Editor Of Financial Publication Praises Wright's Philly Bank

Courier 10-8-32
Pittsburgh, Pa.

PHILADELPHIA, Mar. 17 — The Citizens and Southern Bank, 1849 South street, was named as a special depository of public funds by the Secretary of the United States Treasury, according to announcement by Major R. R. Wright, president, Saturday. Major Wright made public the following letter he received from E. D. Batchelder, chief, division of deposits, Treasury Department, Washington, D. C., under date of March 5:

3-19-32

"Major R. R. Wright, Sr., Treasurer
Citizens and Southern Bank and
Trust Company,
Philadelphia, Pa.

Sir: By virtue of authority conferred upon the Secetary of the Treasury, the Citizens & Southern Bank and Trust Co., Philadelphia, Pa., has been designated a special depositary of public moneys under the Act of Congress approved Sept. 24, 1917, as amended, and in accordance with the provisions of Treasury Department, Circular No. 92, revised Feb. 23, 1932, effective March 4, 1932."

Editor's Note: The following letter, sent to Dr. R. R. Wright, Sr., President of the Citizens & Southern Bank & Trust Co., by C. B. Axford, editor of "The American Banker," outstanding financial publication, indicates the esteem in which Presdent Wright and his progressive Philadelphia banking institution is held.

"R. R. Wright, Sr., President,
Citizens & Southern Bank and
Trust Company,
19th and South Streets,
Philadelphia, Pa.

Dear Mr. Wright: We are very happy to note that your institution has passed another yearly milestone. The last two years have been difficult for all businesses, but for bankers, burdened with the care of the savings and credits of the public, the period has been particularly trying, a period of survival of the fittest. You are to be congratulated.

We trust that the next 12 years will bring the rewards of public appreciation of your conscientious service. We believe that the public will come to understand better the reasons of good banking which underly the sound policies which a good banker must continually enforce. The high standard which you have set in the past dozen years, despite many temptations and difficulties, should be easier to maintain, and should carry you through to continuing success which you so well deserve.

Many happy returns of the day.

Faithfully yours,
AMERICAN BANKER.
C. B. Axford, Editor."